

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1488-01  
Bill No.: HB 666  
Subject: Education, Elementary and Secondary: Kansas City School District  
Type: Original  
Date: April 2, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$20,000)	(\$20,600)	(\$21,218)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$20,000)</b>	<b>(\$20,600)</b>	<b>(\$21,218)</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>(UNKNOWN)</b>	<b>(UNKNOWN)</b>	<b>(UNKNOWN)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

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## ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume a Supervisor (\$47,611) and a Program Specialist I (\$26,203) would be needed to support the work of the Kansas City Education Renewal Commission, coordinating and serving the Commission in carrying out the tasks of developing and implementing a plan to divide the Kansas City School District, provide a transportation plan, and sponsor charter schools. Based on a response to a similar proposal from 1998 (HB 1758), the **Oversight Division** assumes no new staff would be needed by DESE.

DESE officials estimate Commission member expenses at \$20,000 annually.

The Kansas City School District would be divided into 5 smaller districts under this proposal. DESE officials assume that the Kansas City Education Renewal Commission would divide the district up in such a way that the fiscal impact would be revenue neutral. The **Oversight Division** has included unknown costs to school districts for administrative costs of new school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
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### **GENERAL REVENUE FUND**

#### Cost-DESE

Commission Member Expenses	<u>(\$20,000)</u>	<u>(\$20,600)</u>	<u>(\$21,218)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2002	FY 2003	FY 2004
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### **SCHOOL DISTRICTS**

#### Cost-School Districts

New School Districts	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>
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**The Kansas City School District could be divided into five new school districts. This would cause a redistribution of the foundation formula and local property taxes.**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill creates the 12-member Kansas City Education Renewal Commission to develop a plan for the division of the Kansas City school district to be implemented by September 1, 2001. The commission must create at least 5 new racially balanced districts from the original district; the original district will exist only for tax purposes. The commission must recommend a plan for equitable per-pupil distribution of taxes, suggest a plan for using the new districts for tax purposes, and provide a transportation plan. Students in the original district may attend any of the newly created districts. The commission may sponsor charter schools in the Kansas City district.

The bill contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space for the state but could for new school districts.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education

NOT RESPONDING

Kansas City Public School Board



Jeanne Jarrett, CPA  
Director  
April 2, 2001